BY CLEMENT WINSTON

Retail Trade and Use of Services:

Regional Patterns of Consumer Purchasing

RETAIL sales have shown a firming tendency recently, following a decline of 5 percent from the high monthly figures reached in the spring of last year, on a seasonally adjusted basis. Sales this spring have advanced from the January–February lows, with all the major groups sharing in the recovery.

Fluctuations have resulted mainly from the shifting demands for durable goods which, despite the improvement in recent months, are still relatively weak. Nondurable goods stores' sales, which had fallen off somewhat from their high point reached in April a year ago, had remained generally steady in total through the remainder of the year. Beginning in January, sales in all these lines strengthened, and in the March–April period were slightly above a year ago. Food and department store sales were showing the largest relative gains over the year.

Recent regional experience

During the past year changes in the overall economy have had sizable differential effects on the various regions, largely reflecting the variations in cyclical response of their leading industries and the divergent movements in farm and nonfarm income.

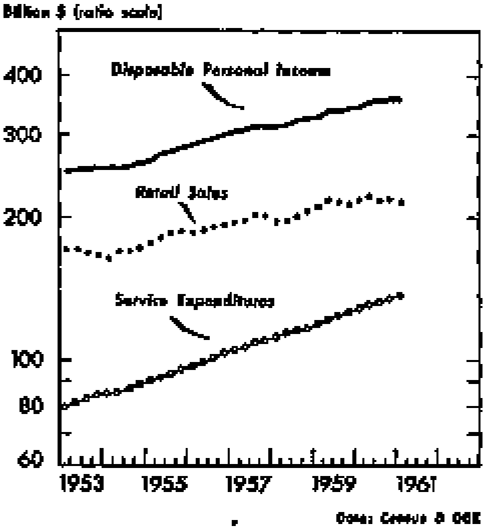
Data on department store sales for the Federal Reserve districts published by the Board of Governors of the Federal Reserve System and retail data for four very broad regions covering sales of organizations with less than eleven outlets provide a basis for reviewing regional tendencies. The sales variations in the 1959–60 period tied in generally with the changes in personal income for those regions which were discussed in the April 1961 issue of this SURVEY. The decline in farm income and lack of growth in the oil industry retarded activity in such States as Texas and Oklahoma. In the Southeast a drop in cotton production affected sales in Mississippi and Arkansas while mining in West Virginia continued its secular decline. These were some of the factors that slowed the sales advance in these regions as well as other farm areas.

In the northeastern States, including New York, factory payrolls for most of the States matched, while payrolls of the distributive industries, services, and contract construction expanded relatively more than, the national averages from 1959 to 1960 with a beneficial effect on retail sales.

In the early months of 1961, the San Francisco district showed a rise in department store sales from the fourth quarter of 1960, seasonally adjusted, while all the other districts registered no change or declines. The largest decreases, from 4 percent to 5 percent, were indicated for the Chicago and Atlanta districts. It is difficult to assess such short-term regional variations since the movements were partially obscured by the effect of the unusual weather conditions in many areas.

CONSUMER INCOME and PURCHASING

- **Retail Sales Have Almost Matched Income Growth With More Cyclical Response**
- **Advance in Services Has Outpaced Income Since 1953**



Data: Census & OBE

U. S. Department of Commerce, Office of Business Economics 61-5-10

Growth rates in consumption and income

In the past 10 years expenditures for goods and services have shown widely differing growth rates (see chart), though as pointed out many times in the SURVEY analyses service expenditures experienced a long lag during and after the war before such outlays were restored to a more usual relationship to income.

Largely as a result of this lag, sales at retail stores and consumer expeditures for goods have expanded at an average rate of about 3½ percent a year while expenditures for services advanced at a rate close to 7 percent. Part of this was a "catching up" in prices of services which in recent years advanced much more rapidly than goods, a reversal of the war and immediate postwar experience. Service prices over the past 10 years rose about 30 percent while commodity prices increased less than 7 percent. Thus, on a deflated basis, expenditures for goods rose at a rate of about 2.8 percent a year and services at 3.8 percent. Real disposable income over this period rose 3.2 percent per annum.

Prior to the war, exclusive of the depression years, service expenditures accounted for about two-fifths of total spending. This proportion declined to about a third during the war years because of restrictions and shortages. Since then it has risen gradually and in 1959 and 1960 was again about two-fifths of the total.

Although growth rates have varied

from one region to another, the charts show that the pattern of more rapid growth in service expenditures to a position of more normal relationships has naturally occurred in each geographical area.

Regional Distribution of Sales

Completion of the tabulations from the 1958 Census of Business makes available new data for sales of retail stores, and for selected services, by regions and States. Similar data for other Census years, supplementary information for services from other sources, and the Office of Business Economics studies of personal income by States are used in this analysis of regional changes in consumption patterns. Although information is considerably more restricted for intercensal years the fact that the regional structure of distribution generally changes rather slowly, and only gradually, makes these regional data useful in appraising the current market situation.

Retail sales growth 1954-58

In the 4-year period from 1954 to 1958, the last two Census years, retail sales increased $30 billion, or 18 percent. In this same period the population of the country rose 7½ percent and personal income 25 percent.

Prices of goods sold at retail stores increased from 5 percent to 6 percent so that on a "real" basis the volume of goods moving in retail channels was up by something more than 10 percent. Taking account of the population growth the rise in "real" per capita retail purchases figures out to around 3 percent in this period.

The largest percentage increases in total sales from 1954 to 1958, from a fifth to about a third, were shown for general merchandise, food and drug stores and gasoline service stations. Advances of from an eighth to a sixth were reported by furniture, appliance and apparel stores and in eating and drinking places. Lesser increases were indicated for the lumber, building-hardware group (including farm implement dealers), and automotive stores.

The trend to larger individual establishments in retail merchandising, which had been pointed out in the SURVEY before, continued. The indicated average sales per store was $77,000 in 1948; nearly $100,000 in 1954; and $112,000 in 1958. Part of this rise is accounted for by the steady rise in prices. The increase in employment on a per store basis about matched the rise in volume.

Food stores continued to show the most significant trends to larger individual stores, with average sales up from $103,000 in 1954 to $136,000 in 1958. Food prices rose about 7 percent on the average in the 1954–58 period implying that the average activity per store in physical terms was up nearly a fourth, about equal to the increase in employment per store.

Other stores that showed substantial increases in sales per store from 1948 to 1958 were drug stores whose dollar sales were up more than a fourth, and gasoline service stations and apparel stores with increases of about a sixth. Even after adjustment for price changes the increase in the business done in the average store in these groups was significant.

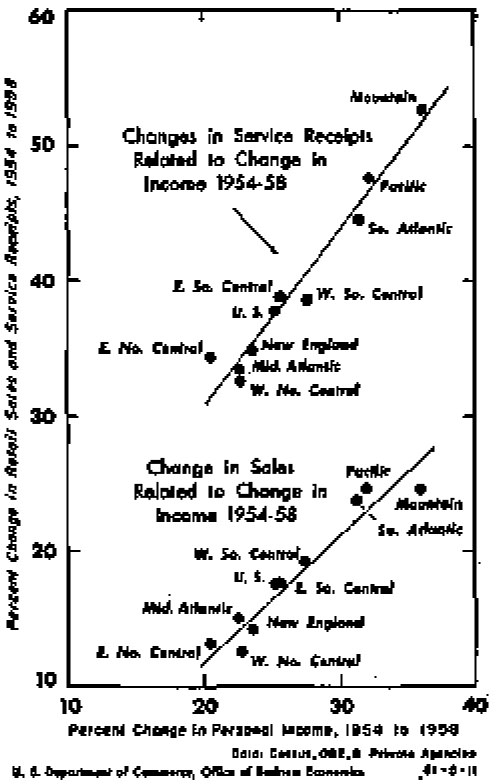
In the general merchandise field the physical volume of sales per store remained about unchanged but the number of stores has gone up about a sixth. This in part reflects the setting up of branches in new shopping centers in the fast growing suburban market, which are usually smaller than the parent store downtown.

Sales in central city districts decline

In the major cities throughout the country the shift of an increasing share of the sales market from the center of the city to the outlying sections of the metropolitan areas continued. As the central city districts have become more denuded of residential sections and as urban transportation has become increasingly difficult, their relative importance in the sales picture has become somewhat less though they are still the big individual trading areas. But in many of the large cities sales for the stores in the central city actually declined from 1954 to 1958 while those of stores in the remainder of the metropolitan area showed substantial advances.

REGIONAL CHANGES IN SERVICES AND RETAIL SALES FROM 1954 TO 1958 ARE HIGHLY RELATED TO INCOME

Southern and Western States Have Shown the Greatest Relative Increases, North Central States the Smallest



The greatest shifts were indicated for general merchandise and apparel stores, the establishments which account for the bulk of the retail trade activity in the central city district. In 1954, general merchandise stores in the central city district accounted on the average for about two-thirds of all such sales in the entire metropolitan area. In 1958, this share had been cut to somewhat over half. The comparable proportions in the apparel group were about three-fifths and one-half.

Regional variation in sales

In this discussion a comparison is made between sales of retail stores and selected service receipts and personal income in each State or region. It should not be assumed that the retail sales and service receipts cover all consumer expenditures for goods and services. A substantial proportion of sales of retail stores does not represent consumer expenditures and this proportion differs by region; nor do all purchases of goods pass through retail channels.

Only fragmentary data on service expenditures by States are available. The service industries covered in the Census of Business reported receipts of $32 billion in 1958. To this were added other estimates available on a State basis for gas, electric utilities, life insurance, and domestic services to bring the total figure to $46 billion. This compares with total consumer expenditures for all services in 1958 of $114 billion, though of this $11 billion represented imputations for services "in kind," not represented by actual trade. In addition it should be noted that the $46 billion total includes some expenditures by business firms.

In considering the regional trade behavior since 1954 it is noted here, as in previous analyses, that purchases in each State move with the total for the country as a whole. This is to be expected since the economy of each State is inextricably bound up with the economy of the country; there are no legal trade barriers operating to obstruct trade among the States.

Nevertheless, the effect of changes in income leads to different regional responses in terms of purchases. This variation may be seen in the chart showing percent change in retail sales and service receipts between 1954 and 1958 by region compared to the percent change in personal income.

In the lower part of the chart showing the relationship to sales it is noted that advances in sales and income were shown for the United States as a whole and for all the various regions. However, the southern and western States outpaced the remainder with relative sales and income growth well above the Nation's average. The points of scatter in the chart fall fairly closely along a line with the regions comprising the southern and western States at the upper half of the line and the remaining regions along the lower half. The South Atlantic and Pacific regions show relative sales changes above the line of relationship while the New England and West North Central regions show low sales advances compared to their income increase.

The relationship for changes in service receipts and income bring out substantially the same picture. The South Atlantic and the west are once again at the upper end of the average line of relationship. For both sales and services the West North Central region shows purchases low relative to its income change.

The relationships of income changes with purchases at retail and with service receipts are fairly close. The coefficients of correlation (r) exceed .95 in both cases.

Table 1.—Sales of Retail Stores by Regions and States in Census Years, and Average Annual Rate of Growth, 1948–58 and 1954–58 [1]

	Sales of retail stores							Average annual rate of growth	
	1929	1933	1935	1939	1948	1954	1958	1948–58	1954–58
	(Millions of dollars)							(Percent)	
United States	47,760	24,186	32,335	42,445	130,518	169,968	199,646	4.5	4.1
New England	3,701	2,080	2,639	3,247	8,321	10,911	12,482	4.1	3.4
Maine	298	175	225	278	741	924	1,031	3.4	2.8
New Hampshire	170	100	147	181	451	604	704	4.5	3.9
Vermont	143	75	90	122	332	390	443	2.9	3.2
Massachusetts	2,013	1,150	1,410	1,608	4,166	5,530	6,242	4.1	3.1
Rhode Island	312	161	217	270	694	848	920	3.0	2.3
Connecticut	760	414	541	690	1,927	2,616	3,203	4.9	4.9
Middle Atlantic	12,269	6,342	8,178	10,068	27,627	35,054	40,380	3.9	3.6
New York	6,816	3,883	4,596	5,440	14,281	18,110	20,799	3.8	3.5
New Jersey	1,788	904	1,168	1,434	4,391	6,146	7,276	5.2	4.3
Pennsylvania	3,684	1,796	2,414	3,068	8,800	10,793	12,322	3.4	3.4
East North Central	10,861	5,117	6,667	9,101	28,807	37,258	42,177	4.0	3.2
Ohio	2,796	1,302	1,910	2,400	7,246	9,636	10,867	4.1	3.0
Indiana	1,101	561	775	1,065	3,490	4,513	5,177	4.0	3.5
Illinois	3,653	1,656	2,106	2,380	8,720	11,019	12,790	3.9	3.8
Michigan	2,174	974	1,350	1,703	5,654	8,108	8,508	4.2	3.2
Wisconsin	1,203	601	651	1,043	3,193	3,921	4,436	3.4	3.2
West North Central	5,149	2,647	3,444	4,407	13,152	16,181	18,298	3.3	3.0
Minnesota	1,028	549	707	1,089	2,807	3,480	3,975	3.2	3.6
Iowa	953	493	630	818	2,510	3,078	3,367	2.8	2.3
Missouri	1,407	757	928	1,089	3,026	4,626	5,160	3.9	2.3
North Dakota	230	104	147	165	607	609	703	1.3	3.0
South Dakota	250	101	144	169	620	679	772	2.2	1.9
Nebraska	553	209	353	394	1,310	1,588	1,730	2.9	2.2
Kansas	730	318	440	472	1,684	2,201	2,449	1.9	2.7
South Atlantic	4,165	2,408	3,244	4,328	14,631	20,649	25,492	5.7	5.4
Delaware	100	55	76	108	370	493	583	4.5	4.2
Maryland	696	367	447	600	1,871	2,675	3,230	6.0	4.8
District of Columbia	324	236	298	301	1,103	1,232	1,304	1.7	1.8
Virginia	589	349	463	629	2,209	3,131	3,721	5.4	4.6
West Virginia	440	239	328	493	1,278	1,401	1,607	2.3	3.5
North Carolina	641	358	459	631	2,234	3,240	3,837	5.5	4.3
South Carolina	290	193	246	331	1,142	1,519	1,747	4.3	3.5
Georgia	690	347	480	623	2,098	2,863	3,528	5.3	4.6
Florida	403	282	421	611	2,327	4,014	5,848	9.6	9.8
East South Central	2,132	1,001	1,367	1,637	6,370	8,354	9,829	4.4	4.1
Kentucky	576	295	351	516	1,602	2,201	2,581	4.5	4.1
Tennessee	632	322	476	608	2,070	2,760	3,199	4.4	3.8
Alabama	510	240	334	435	1,620	2,112	2,607	4.7	5.0
Mississippi	403	130	177	282	1,004	1,282	1,462	4.0	3.7
West South Central	3,646	1,711	2,278	3,090	10,669	14,806	17,670	5.0	4.5
Arkansas	400	177	239	298	1,070	1,334	1,587	3.0	3.0
Louisiana	463	250	340	464	1,673	2,339	2,840	5.3	5.0
Oklahoma	730	324	429	513	1,629	2,101	2,401	4.0	3.4
Texas	1,991	911	1,270	1,706	6,479	9,082	10,793	5.2	4.0
Mountain	1,510	713	1,079	1,421	4,640	6,457	7,924	5.4	5.0
Montana	238	107	186	221	599	778	803	3.7	2.0
Idaho	165	84	138	178	579	670	818	3.5	5.2
Wyoming	101	54	81	100	307	395	410	3.0	2.0
Colorado	455	226	297	407	1,250	1,727	2,106	5.2	5.1
New Mexico	116	62	89	120	474	733	973	7.4	7.4
Arizona	193	73	119	151	654	1,061	1,413	8.0	9.0
Utah	193	68	120	160	570	733	929	4.9	6.1
Nevada	40	27	43	69	206	330	406	7.4	5.4
Pacific	4,305	2,200	3,123	4,259	14,740	20,439	25,604	5.6	5.7
Washington	742	358	519	600	2,294	2,874	3,419	4.5	4.4
Oregon	442	215	329	441	1,380	1,621	2,137	3.0	2.7
California	3,122	1,630	2,275	3,162	10,960	15,044	19,098	6.2	6.3
Addenda: [2]									
Alaska					97	176	202	7.6	3.6
Hawaii					374	420	522	3.4	5.2

[1] The data cover all Census of Business years. The 1929–48 census figures have been adjusted to achieve greater comparability with 1954 and 1958. Adjustment has not been made for the inclusion in 1954 and 1958, and exclusion in 1929 and 1948, of sales and excise taxes levied directly on the consumer; computations indicate that this factor is negligible in the regional distribution.

[2] Not included in total.

Shift by regions

Although a high degree of correlation exists between regional sales and regional income and between regional and nationwide sales there have been gradual shifts in the relationship over time. The result of these differential movements over the period since 1929 is indicated in table 2 which presents regional distributions of sales in Census years.

The variations in these patterns are associated with many factors—such as changes in industrialization, the degree of urbanization and differences in population growth and other demographic factors. In addition, the cyclical responses of regions to changes in the overall economy vary to a considerable extent according to the proportions of income originating in manufacturing, in agriculture, and in mining.

It is noted in the newly available data for 1958 that there has been a continuation of the shift in the sales proportions that had been developing over the 25-year period from 1929 to 1954. The more highly developed areas of the country have continued to increase their sales volume as the overall economy expanded, but the more recently developed parts in the South and West have been experiencing even sharper growth rates.

Northeast and Midwest States

Retail sales in the New England, Middle Atlantic, and North Central regions continued their gradual decline relative to the Nation in the 1954–58 period. From 58¾ percent of total sales in 1954 the share of sales in these States declined to 56½ percent in 1958. Only Connecticut and New Jersey bettered their positions somewhat.

The behavior patterns of sales and income are related to continued shifts in industrial activity and of population in different parts of the country. In the large metropolitan areas there tends to be a net outmigration from the city to new suburban areas. In the case of New York City this has been very extensive and led to a considerable expansion in southern Connecticut and in northern New Jersey as residential areas for individuals who work in the city. In addition, the outmigration in New York City was accompanied by the entrance of a lower income group from Puerto Rico and the south which altered the income distribution. Among the States in the East and West North Central region the relative increases in sales for Michigan, Iowa, and Nebraska were only about half the national average.

Table 2.—Regional Distribution of Retail Store Sales in Census Years

(Percent)

	1929	1933	1935	1939	1948	1954	1958
United States	100.0	100.0	100.0	100.0	100.0	100.0	100.0
New England	7.7	8.5	8.2	7.8	6.5	6.4	6.2
Middle Atlantic	25.7	26.3	25.3	24.8	21.4	20.6	20.2
East North Central	22.9	21.2	21.0	22.0	22.1	21.9	21.1
West North Central	10.8	10.6	10.7	9.0	10.2	9.5	9.1
South Atlantic	8.8	10.0	10.0	10.4	11.4	12.2	12.8
East South Central	4.5	4.2	4.2	4.4	5.0	4.9	5.0
West South Central	7.0	7.1	7.0	7.6	8.4	8.7	8.8
Mountain	3.2	2.9	3.3	3.4	3.6	3.8	4.0
Pacific	9.0	9.1	9.7	10.3	11.4	12.0	12.8

Source: U.S. Department of Commerce, Bureau of the Census and Office of Business Economics.

The South and West

Sales in the south and west continued to gain a larger proportion of the total. Florida led the way with all its economic indicators showing significantly greater relative advances than those for the Nation. Only West Virginia experienced a decline in its share; this reflected the relatively depressed condition of the economy of that State.

California dominated the growth in the far western States. The population of California increased by 47 percent from 1948 to 1958 and while this did not match the relative advances in Florida, Arizona, New Mexico, and Nevada, it was by far the fastest growing of the larger States.

In the West South Central region, Louisiana and Texas were the relative pace setters, while in the Mountain States New Mexico, Arizona, and Nevada led. Oil, natural gas, and livestock have played an important part in the continuing growth in Texas, but new industries have been moving in here as well as in Louisiana to keep economic activity high. Sales and income in New Mexico, Arizona, and Nevada are low in absolute value but have more than doubled in the period 1948–58. The steady expansion of vacation travel and immigration due to favorable climate have been factors in attracting more and more business to these areas.

Trade and Services Outlays Related to Income

THE CLOSE relationship between consumer purchasing and income may be observed more directly in graphic form by comparing for a given year the pattern of purchasing and income by States. Such a cross-sectional approach serves to bring out the similarities and differences among the States, relative to expenditures and income at one point in time.

The accompanying scatter diagram, in the upper section of the chart, presents the relationship between State sales and personal income in 1958 and, the one in the lower section, the relation between service receipts and income. The States generally cluster along a line with New York at the upper end and Vermont, Wyoming, and Nevada at the lower end; a similar pattern has been found to exist for each of the Census years.

The close correspondence between State sales and income in a given year (r=.995 in the year 1958 and is not much different in other years) is in part a function of the population of each State. However, the relation between State sales and income on a per capita basis shows a lesser but still very significant correspondence.

The slope of the line is very near unity indicating that within the cross-section of States, with time held constant, the difference in sales among the States is directly proportional to income differentials.

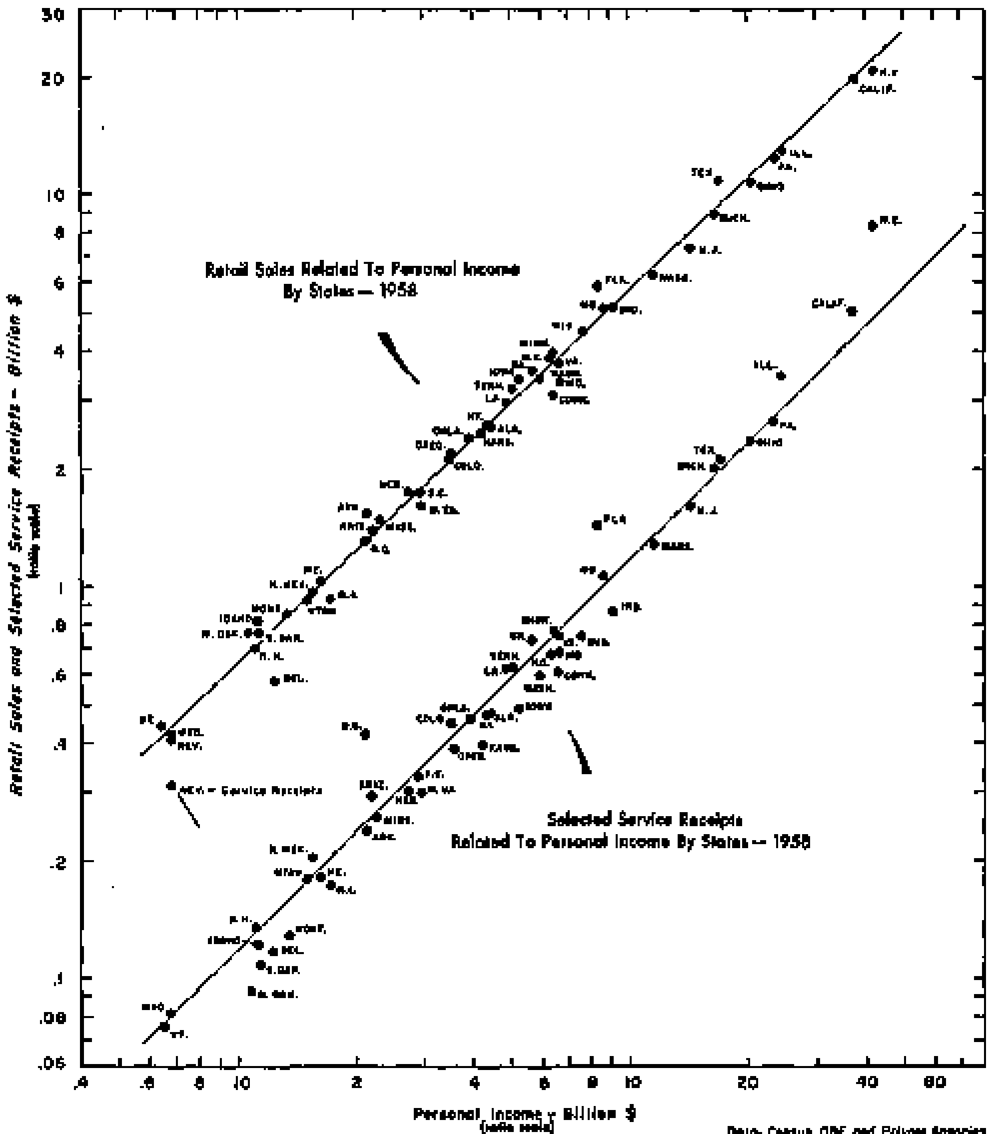
Although the States are generally close to the average line of relationship there are several outstanding exceptions. For example, Delaware with a total personal income of $1.2 billion reported retail sales of $580 million while New Hampshire and South Dakota with income not too different from Delaware had sales of $700 and $780 million, respectively. Also Connecticut with $6.6 billion of personal income had sales of $3.0 billion while Virginia and North Carolina had substantially higher sales with about the same income. On the high side, that is, with higher-than-average sales relative to income, were Florida and Texas.

There are a number of factors other than the level of income itself that tend to influence the sales-income position of a State compared to the others. Where a large metropolitan area spills over into two or more States there will be tendencies for people living in one State which is credited with their income to make substantial purchases in the State in which the center of the metropolitan area is located. This is true, for example, for Connecticut and Maryland as well as for Delaware and New Jersey which are on the low side in sales relative to income.

Mail-order sales also play an important role especially in certain States which are not close enough to extensive shopping areas. The effect of mail-order purchases is to lower sales within the given State relative to its income potential and to raise that of the State in which the mail-order firms operate.

In States such as Minnesota, Iowa, the Dakotas, Nebraska, and Kansas sales of lumber, building-hardware stores (including farm equipment dealers) form an unusually large proportion of their total sales. The average proportion for these States is about twice that shown for the Nation. The ratio of gasoline service station sales to total sales in these States also exceeds the overall ratio but not to the same extent. The differences largely reflect purchases for farm use. In the case of Florida and Texas the kind of business groups in which sales are high relative to the national average are the automotive group and gasoline service stations.

RETAIL BUSINESS and SERVICE RECEIPTS are Directly Proportional — With Some Exceptions — to the Size of Total Income



Data: Census, OBE, and Private Agencies

Note.- Selected service receipts include personal, domestic, and business services, auto and other repairs, amusements, gas, electricity, life insurance, and hotels and motels

U. S. Department of Commerce, Office of Business Economics 61-5-12

Services show similar pattern

The data on service receipts for the various States are shown plotted against income in those States on the upper portion of the charts. The close relationship between service receipts and income by States is immediately evident although it is not so close as in the case of retail sales in which the store receipts represent a much greater proportion of consumer items.

The measure of the closeness of the relationship r=.97 compares with r=.99 for retail sales. The points representing the States fall generally along a line almost parallel to the regression line between sales and income but they are seen to be more dispersed about their average line.

It is of interest to compare the deviations of States from their respective lines of relationship in the two cases. Retail sales expenditures in Nevada appear somewhat below the line reflecting in part purchases of goods outside the State because of the lack of distributive facilities within the State. In the case of service receipts, Nevada is far above the average. Personal income in Nevada is not too different from that in Vermont or Wyoming but the service receipts in Nevada are nearly double the combined figure for both of these States. The high level of the service receipts for Nevada are related to tourist activities for which the State is noted.

Florida is found to be above the line of relationship for both sales as well as services. The high level of purchases relative to income reflect mostly the influence of the extensive tourist trade.

For Illinois, California, and New

York service receipts are high relative to the average line although these States are generally in line relative to sales. In Illinois and New York business service expenditures are important factors in the high service figures while in California heavy tourist traffic is probably most influential.

On the low side for services relative to income were found many of the less industrialized areas, such as the Dakotas, Kansas, and Iowa. Delaware and Connecticut are found on the low side relative to income for service receipts as well as sales. Expenditures in both of these States are influenced by their close proximity to big metropolitan areas in adjoining States.

Regional Differences by Kinds of Business

Variations in climate, in natural resources, in geographical features, in industrial structure and other factors tend to lead to considerable variation in the patterns of spending from region to region and from State to State. In table 3 there is presented a percentage distribution of State and regional sales by kind of business for the year 1958. It is noted that the relative distribution of retail sales among the States varies considerably from State to State. The proportion of a State's sales accounted for by the lumber, building-hardware group (including farm equipment dealers) ranges from 4 percent for the lowest to 23 percent for the highest. For furniture and appliance stores, the range is from 3 percent to 7 percent, in drug stores 2 percent to 6 percent.

Building materials and automotive groups

States in which agriculture was an important source of income showed a high proportion of their sales in the lumber, building, hardware group (including farm equipment)—North Dakota 23 percent, South Dakota 19 percent. In New York State such stores accounted for only 4 percent of sales. In the automotive group also, the proportion of sales was high in the farm States with New York again lowest. A somewhat similar pattern was exhibited for sales of gasoline service stations, with Nevada and Wyoming showing the largest proportions of their sales at such stores.

Food stores and eating and drinking places

Large cities and density of population are dominant factors in such sales. In most of the agricultural States less than 30 percent of sales went to food stores and eating and drinking places, while a third or more of all sales was expended in these outlets in New York, New Jersey, Pennsylvania, and other more urbanized areas.

Differences in State and local liquor laws influence spending at eating and drinking places. All the States in the southeast and south where "on premise" consumption of alcoholic beverages is limited entirely or in part show a lower-than-average proportion of sales going to eating and drinking places.

Table 3.—Percentage Distribution of Retail Store Sales by Kind of Business Within Each State, 1958

	Retail trade, total	Automotive dealers	Furniture, home furnishings equipment stores	Lumber, building materials, hardware, farm equipment dealers	Apparel, accessory stores	Drug stores, proprietary stores	Eating, drinking places	Food stores	Gasoline service stations	General merchandise stores	All other retailers [1]
United States	100.0	16.9	5.0	7.2	6.3	3.4	7.6	24.5	7.1	11.0	11.0
New England	100.0	14.2	4.5	6.5	6.9	3.3	7.3	26.3	5.9	10.1	15.1
Maine	100.0	10.7	3.3	5.8	5.7	2.6	4.4	28.0	7.1	10.4	16.0
New Hampshire	100.0	10.6	3.6	6.0	6.4	2.7	5.4	28.0	6.9	7.0	16.1
Vermont	100.0	17.3	3.7	7.0	4.5	2.2	4.4	26.1	6.8	10.1	17.0
Massachusetts	100.0	13.2	4.5	5.0	7.2	3.3	8.3	25.8	5.4	10.0	16.7
Rhode Island	100.0	14.1	4.8	5.8	7.3	3.7	7.6	25.5	6.1	10.8	14.1
Connecticut	100.0	14.7	5.4	6.0	6.0	3.5	7.1	25.4	6.2	9.4	14.4
Middle Atlantic	100.0	13.1	5.4	4.9	8.3	2.9	9.5	25.2	5.3	10.7	13.7
New York	100.0	11.5	5.4	4.3	9.5	2.8	10.7	25.5	4.5	10.7	14.0
New Jersey	100.0	13.9	6.0	5.5	7.8	2.9	9.2	25.4	6.1	8.4	11.1
Pennsylvania	100.0	13.4	5.0	5.3	6.6	3.0	7.8	26.7	6.0	12.2	13.0
East North Central	100.0	15.3	4.9	7.6	5.7	3.6	8.1	24.4	7.3	11.2	11.8
Ohio	100.0	16.0	4.9	7.2	6.1	3.3	8.0	25.8	7.5	12.7	8.5
Indiana	100.0	16.7	4.3	8.0	5.1	3.0	7.2	23.5	8.2	10.0	11.4
Illinois	100.0	14.1	4.8	7.0	6.6	3.4	8.8	22.9	6.5	10.2	15.9
Michigan	100.0	17.7	5.1	7.6	5.6	4.0	7.1	24.1	7.9	11.0	8.0
Wisconsin	100.0	16.7	4.7	9.0	5.4	2.9	9.6	23.5	8.9	11.0	10.7
West North Central	100.0	16.6	4.4	12.5	5.1	3.4	6.5	21.6	7.9	10.2	11.8
Minnesota	100.0	15.4	4.2	12.3	5.0	3.2	7.3	21.6	7.2	10.9	13.1
Iowa	100.0	16.2	4.5	16.1	5.1	3.0	6.0	21.0	8.1	8.7	12.3
Missouri	100.0	15.7	4.5	8.0	5.7	3.8	6.6	22.4	7.0	12.0	13.7
North Dakota	100.0	16.7	4.0	22.6	5.3	2.9	7.0	17.1	7.6	8.3	8.4
South Dakota	100.0	17.6	3.7	19.1	4.6	3.3	6.3	19.9	8.0	8.0	8.3
Nebraska	100.0	17.2	4.6	15.0	4.7	3.1	6.8	20.1	8.5	10.1	9.9
Kansas	100.0	19.4	4.7	12.3	4.7	3.0	6.2	23.2	9.1	8.4	9.4
South Atlantic	100.0	17.0	5.1	6.4	6.1	3.6	6.4	24.0	7.6	11.9	11.9
Delaware	100.0	14.7	5.3	6.0	5.8	3.0	6.0	22.4	7.1	10.0	17.8
Maryland	100.0	14.6	4.3	5.4	5.5	4.2	8.4	24.9	6.8	11.0	13.9
District of Columbia	100.0	14.1	6.8	2.6	9.1	4.7	9.0	18.1	4.8	14.3	16.1
Virginia	100.0	16.9	4.3	6.8	5.6	3.8	6.0	24.6	8.2	13.7	11.4
West Virginia	100.0	16.7	5.2	6.0	6.1	3.2	5.0	26.5	7.7	15.3	8.1
North Carolina	100.0	17.4	5.1	7.0	6.1	3.2	4.3	22.8	8.1	12.7	12.7
South Carolina	100.0	17.8	5.1	7.5	5.9	3.4	4.4	25.4	8.8	11.8	10.8
Georgia	100.0	17.3	4.8	7.3	6.0	3.9	4.0	23.1	8.2	12.6	13.0
Florida	100.0	18.7	5.0	7.8	6.3	3.5	7.9	25.4	7.3	9.0	10.4
East South Central	100.0	17.4	4.9	7.6	6.9	3.5	5.1	24.9	8.6	12.1	10.2
Kentucky	100.0	17.4	4.8	8.0	6.7	3.0	6.0	25.6	7.0	11.1	9.7
Tennessee	100.0	18.0	4.0	7.1	6.3	3.4	4.8	24.7	8.2	13.0	11.0
Alabama	100.0	17.5	5.4	7.1	6.0	3.5	4.9	21.7	7.7	12.8	10.0
Mississippi	100.0	18.6	4.4	8.7	6.6	3.0	4.1	24.3	8.7	11.0	9.3
West South Central	100.0	18.8	4.7	8.1	5.9	3.6	5.6	24.2	8.1	11.6	9.9
Arkansas	100.0	19.1	4.3	9.6	5.2	3.2	4.5	23.4	8.9	10.3	12.2
Louisiana	100.0	18.7	5.3	7.6	6.8	3.0	7.2	24.8	7.8	11.8	8.1
Oklahoma	100.0	19.0	4.8	9.3	5.5	3.8	6.0	24.4	8.8	10.8	7.6
Texas	100.0	18.3	4.6	7.8	5.8	3.5	5.5	24.1	8.1	10.9	10.4
Mountain	100.0	18.8	4.5	9.2	4.8	4.6	7.7	22.3	8.9	14.4	9.2
Montana	100.0	18.0	3.8	12.0	5.0	3.2	8.4	23.2	8.0	8.6	8.0
Idaho	100.0	19.0	4.6	12.8	3.5	3.6	6.7	21.2	8.1	10.3	9.4
Wyoming	100.0	18.7	4.6	11.0	4.6	3.9	8.3	21.2	11.1	8.0	8.4
Colorado	100.0	18.3	4.8	9.3	4.4	4.4	7.9	21.0	7.8	11.0	10.3
New Mexico	100.0	20.3	4.7	7.8	4.3	3.4	7.4	21.0	9.9	9.0	9.3
Arizona	100.0	18.6	5.6	7.5	5.5	4.1	8.8	23.4	9.3	9.4	8.3
Utah	100.0	18.3	5.1	9.0	4.4	4.4	6.0	22.5	9.1	13.1	9.1
Nevada	100.0	16.7	4.3	4.7	6.5	5.6	9.8	23.2	11.5	8.9	8.8
Pacific	100.0	16.2	5.8	6.2	5.6	3.6	8.3	24.9	7.6	10.7	11.2
Washington	100.0	14.5	4.8	7.0	4.3	2.8	7.3	25.3	7.1	12.3	13.8
Oregon	100.0	16.3	4.3	7.1	4.3	3.1	7.0	25.1	7.9	10.0	12.3
California	100.0	16.3	6.1	6.0	5.9	3.8	8.7	24.8	7.7	10.4	10.6
Addenda [2]											
Alaska	100.0	12.6	4.4	4.9	4.8	4.4	14.0	23.4	6.6	14.3	11.5
Hawaii	100.0	13.7	5.1	1.3	6.6	3.0	12.6	26.8	7.3	12.0	8.7

1. Includes nonstore retailers.
2. Not included in total.

Source: U.S. Department of Commerce, Bureau of the Census and Office of Business Economics.

Apparel and other retail stores

New York recorded the highest share in the apparel group, 9½ percent of total sales. Massachusetts, Rhode Island, and New Jersey had proportions of 7 percent to 8 percent while Idaho had the lowest proportion of its sales in this group, 3½ percent. New York as the style and apparel manufacturing center tends to attract a large number of purchases from outside the State as well as within it.

The general merchandise group comprising department, variety, general stores and dry goods, and other general merchandise stores forms a rather heterogeneous group and the distribution of the State ratios is rather mixed. The State with the lowest proportion of its sales in this group is Vermont, 7 percent, and the highest is West Virginia, 15 percent.

To some extent stores in the less urbanized States are more likely to sell a variety of products than to specialize as in the high population States. For this reason a larger proportion of stores in the less populous States is likely to be classified as general merchandise stores rather than in the more specialized categories.

Since demand for gasoline in a State is related in large part to the number of cars on the road and to the agricultural use of gasoline it is found that State patterns in gasoline service station sales resemble those of the automotive group. The smallest share of sales going to this group, 4½ percent, was recorded in New York and the highest, over 11 percent, in Wyoming and Nevada.

Regional distribution of service trade

The percent distribution of service receipts by selected services shows considerable variation among the regions. The largest variation in the percentage of specific services to total service receipts within a given region was the miscellaneous business services and life insurance group. Here the proportions ranged from 34 and 38 percent for the East North Central and Middle Atlantic region to 17 percent for the Mountain region. This reflects the heavy expenditures for advertising, news syndicates and employment agencies which are more important in the heavily industrialized areas with their very large cities.

Insurance expenses, personal services, and auto and other repair services are relatively stable as a percentage of total service receipts among the regions.

The largest proportion of expenditures for hotels, motels and related services is in the Mountain region where tourist activities are high. The South Atlantic region also shows a higher-than-average proportion in this category.

Outlays for motion pictures and other amusements are relatively high in the Mountain and Pacific States reflecting conditions similar to those which tend to raise expenditures in hotels and motels. The State data indicate that motion picture expenditures are especially important in California, and expenditures for motion pictures and theatres are relatively high in New York with its large transient population.

For domestic services the South Atlantic and East South Central regions stand out with a proportion considerably greater than the United States total. This may reflect, in large part, the greater availability of labor for this type of work in these States.

Demand for gas and electric utilities depends to a large extent on the availability and cost of these products as against other fuels, as well as on climatic factors. The West North Central farm areas and the East South Central Tennessee Valley area utilize electricity to an especially large extent, while in the Middle Atlantic and Pacific States which showed the lowest ratio in this field, the use of a great deal of fuel oil reduces demand for gas and electricity.

Table 4.—Percentage Distribution of Selected Service Receipts by Regions—1958

	Total [1]	Hotels, motels, etc.	Personal services	Insurance and business services	Repairs	Amusement	Utilities	Domestic service
United States	100.0	8.4	14.0	25.5	13.2	11.0	15.6	7.4
New England	100.0	9.2	13.4	24.1	13.7	9.2	16.2	6.9
Middle Atlantic	100.0	7.1	14.6	38.0	10.1	12.9	11.1	6.3
East North Central	100.0	6.6	14.0	34.2	12.3	8.9	10.7	4.9
West North Central	100.0	6.7	10.8	24.7	14.6	8.7	10.8	5.6
South Atlantic	100.0	11.4	17.2	20.5	14.2	9.5	14.7	12.5
East South Central	100.0	7.3	10.1	19.0	16.0	7.7	18.0	12.5
Mountain	100.0	13.0	13.8	17.2	14.7	10.7	14.1	4.3
Pacific	100.0	8.6	16.5	27.9	16.3	14.7	11.8	6.2

1. This total excludes many important categories of services purchased by consumers. Principal exclusions are services connected with medical care, foreign travel, housing, communications, purchased transportation, and religious and welfare activities.

Sources: U.S. Department of Commerce, Bureau of the Census and Office of Business Economics, Edison Electric Institute and American Gas Association.